

Message Text

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PAGE 01 SAN SA 00004 031759Z
ACTION ARA-02

INFO OCT-01 ISO-00 PA-01 INR-01 /005 W
-----031801Z 057728 /47

P R 031717Z JAN 77
FM AMEMBASSY SAN SALVADOR
TO USINFO WASHDC PRIORITY
INFO UEHC/SECSTATE WASHDC 3022

UNCLAS SAN SALVADOR 0004

E.O. 11652: N/A

UNCLAS. JANUARY 3 (PASS TO VOA) LEADING, HIGH CIRCULATION
LA PRENSA GRAFICA CONTINUED TO EXPRESS CONCERN OVER THE
WORLD'S OIL SITUATION STATING THAT "THE MULTIPLIED INCREASE IN
OIL PRICES HAS BEEN ONE OF THE STRONGEST FACTORS IN CREATING
THE INFLATIONARY CRISIS IN WHICH THE COUNTRIES OF THE WORLD
ARE INVOLVED SINCE 1974."

IN A JANUARY 3RD. EDITORIAL HEADED "WILL OIL PRICE DROP IN 1977,"
THE DAILY SAID THE UNRESTRICTED OPEC RACE TO ELEVATE CRUDE
PRICES HAS TREMENDOUSLY INFLUENCED THE SKY-ROCKETING COST OF
LIVING."

EXCERPTS FOR POSSIBLE REPLY FOLLOW.

"EL MULTIPLICADO PRECIO DEL PETROLEO HA SIDO UNO DE LOS MAS
FUERTES FACTORES EN LA GRAVE CRISIS INFLACIONARIA QUE HA
VENIDO ENVOLVIENDO AL MUNDO CON MAYOR FUERZA DESDE 1974.

"AUN CONCEDIENDO QUE NO SEA EL ELEVADISIMO PRECIO DEL PETROLEO
EL QUE ORIGINALMENTE PROVOCO LA CRISIS INFLACIONARIA, NADIE
CUERDAMENTE PUEDE NEGAR QUE LA DESORBITA DA CARRERA DE LA OPEP
EN LA ELEVACION DEL PRECIO DEL CRUDO, HA INCIDIDO PRODEROSAMENTE
EN LA ELEVACION GNERAL DE LOS COSTOS Y, CONSECUENTEMENTE, EN
EL RECRUDECIMIENTO DE LA CRISIS INFLACIONARIA.

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REFERRING TO THE OPEC MEETING WHICH RESULTED IN AN 11-2
SPLIT DECISION, WITH SAUDI ARABIA LOWERING THE PERCENTAGE
OF THE INCREASE, THE PAPER CONTINUED:

"LOS DOS PRECIOS DEL CRUDO ES POSIBLE QUE RESULTE EN UNA DIS-
MINUCION DE LA ENTRADA DE DOLARES, DE DIVISAS A LOS PAISES QUE

SE AGRUPARON PARA MAYORES AUMENTOS DE PRECIO, ESA DISMINUCION
PUEDE SER YA POR LA MERMA EN LA DEMANDA POR PARTE DE LOS PAISES
CONSUMIDORES, YA SEA POR UNA POLITICA DE DISMINUCION DE LA PRODUCCION

.
(LOS OTROS ONCES PAISES) POSIBLEMENTE CONSIDERARIAN ANTIECONOMICO
SEGUIR PRODUCIENDO EN LA MISMA ESCALA FRENTE A UNA DEMANDA
QUE, SIN LUGAR A DUDAS, TENDRA QUE DISMINUIR. ESO, PORQUE ES
DIFICIL QUE HAYA CONSUMIDORES QUE QUIERAN O PREFIERAN COMPRAR
EL MISMO PRODUCTO A PRECIO ENCARECIDO, CUANDO LO PUEDEN
COMPRAR A PRECIO MAS BAJO. ESTO A BASE PARA PLANTEAR LA INTERRO-
GANTE QUE HABRA DE ACLARARSE EN EL CURSO DEL AÑO: ¿BAJARA
EL PRECIO DEL PETROLEO EN 1977? LA SITUACION DE LOS PRECIOS
PUEDIERA, A LA POSTRE, SER BENEFICIOSO SI HACE QUE 'LOS ONCE'
DETENGAN SU CARRERA DE ENCARECIMIENTO.
JOHNSON

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, PETROLEUM, PRICES
Control Number: n/a
Copy: SINGLE
Sent Date: 03-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Expiration:
Film Number: D770002-0100
Format: TEL
From: SAN SALVADOR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770185/aaaacwat.tel
Line Count: 77
Litigation Code IDs:
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Litigation History:
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Office: ACTION ARA
Original Classification: UNCLASSIFIED
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Original Previous Classification: n/a
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Previous Classification: n/a
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Reference: n/a
Retention: 0
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Review Date: 02-Sep-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3672436
Secure: OPEN
Status: <DBA CHANGED> MCM 20040827
Subject: WORLD'S OIL SITUATION
TAGS: ENRG, SOPN, ES, LA PRENSA
To: USIA
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/7fdb4dd-c288-dd11-92da-001cc4696bcc
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